

The Monthly Minute

With State Senator John Pappageorge

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Senator Pappageorge Reports on the Governor's Budget Proposal

Dear Friend:

The Governor recently announced her budget proposal for Fiscal Year (FY) 2009, which begins October 1st, 2008. I want to take this opportunity to share the highlights of her budget recommendations with you. I will give you my thoughts on her proposed budget in subsequent newsletters after I've had a chance to dig into it and hold or attend hearings over the coming months

1. K-12 Education Funding

Funding education has long been a priority of state government. The Governor's budget calls for a foundation allowance increase between \$108 and \$216 per pupil, depending on the school district's FY 2007-08 foundation allowance. Districts with a smaller foundation allowance receive more than districts with a larger foundation allowance. The Governor also proposed an additional \$31.5 million for early childhood programs and put forth a program to create smaller high schools. This program would use \$300 million in state bonds to create up to 100 smaller schools with no more than 400 students each.

2. Higher Education Funding

The Governor has proposed an average of a 3% increase in the operations funding for universities and community colleges. The increase will be based on a formula that takes into consideration three factors. These factors are the number of undergraduate Pell Grant awards, research and commercial licensing activities, and academic degrees completed. Also, the Governor did not propose to cut tuition grants (need-based scholarships to attend private institutions) in her budget plan. This is the first time in four years she has left this grant untouched.

3. Jobs, Jobs, Jobs

The Governor outlined a few key areas that focus on job creation and stimulating the economy. First, she proposed two new Michigan Business Tax credits. These credits would apply to businesses that are part of the 50 fastest growing business sectors in the U.S. The "Enhanced MBT Compensation Credit" doubles the current compensation credit for a business that creates new jobs and the "New Business Credit" offers tax credits to a qualifying business that is newly formed in or moves to Michigan from May 1, 2008 through December 31, 2011.

She also outlined several proposals that increase the level of outstanding State debt to finance a variety of programs related to capital outlay. They include new construction projects for universities and community colleges, State of Michigan buildings and transportation as well as \$60 million toward promoting Michigan for tourism and attracting business totaling \$1.65 billion.

4. Revenue Sharing

The Governor's budget recommended an increase of 18.4 million in revenue sharing payments to cities, townships, villages and counties. It includes a 4% increase in the appropriated level of statutory revenue sharing payments, the first increase since FY 2000-01.

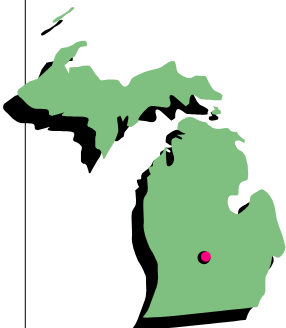
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5. Reforming the Prison System

The Governor's budget proposal included \$50 million in savings through a number of reforms, including: consolidation of services, implementing greater efficiencies in health care, adjustments in prisoner housing arrangements and a reduction in prisoners due to policy changes.

The Governor's budget included a number of other programs as well, leading to an overall gross appropriation that represents a 2.9% increase over the current fiscal year budget. My colleagues and I in the Senate are evaluating her proposals in-depth and will make our own budget recommendations known in the coming weeks and months. I am glad that the Governor stuck to her word and left tax increases and fees out of her budget proposal.

I look forward to working with my colleagues on the other side of the aisle to implement a budget that moves our state forward while spending taxpayer dollars wisely and efficiently. I will continue to keep you updated on the progress of the budget in upcoming newsletters.

Sincerely,



John Pappageorge

Senate Approves Driver's License Legislation

Legislation protecting the integrity of Michigan driver's licenses and prohibiting illegal aliens from obtaining one was approved Thursday by the Legislature.

Under the measure Michigan law would clearly state that illegal aliens cannot receive a driver's license.

The legislation also addresses the uncertainty surrounding whether those temporarily in the U.S. on work or student visas, all aliens here legally, can receive a driver's license. Aliens, such as visiting professors or automotive industry professionals, who are able to prove legal presence in the United States, would be able to obtain licenses – illegal aliens would not.

An unintended consequence of the Michigan attorney general's recent decision resulted in the denial of driver's licenses for people residing

in the country legally.

"Many residents of the 13th Senate District are highly trained professionals living and working temporarily in Michigan" Pappageorge said.

"Passage of this legislation will ensure that area residents can continue to contribute to the economic growth of Michigan."

Without this legislation, many businesses would be negatively affected. The Hybrid Technology Center in Troy, for example, employs German engineers from BMW to work with our engineers to develop the kind of technology that can fuel our economy for the next generation.

In addition, Beaumont Hospital in Royal Oak would be devastated, as a sizable number of their doctors studying medicine in the Graduate Medical Education program would become unnecessarily immobilized.

According to the Federation for American Immigration Reform, in 2005 there were an estimated 124,000 illegal aliens residing in Michigan.

Many of these illegal immigrants had a valid driver's license or state personal ID card, making Michigan 77 percent higher than the U.S. government estimate of 70,000 in 2000, and 439 percent above the 1990 estimate of 23,000.

The bill will now go to the governor for passage into law.



Senator Pappageorge testified at the Senate Transportation Committee on January 31st to discuss driver's license legislation

Around Town with Senator Pappageorge

Senator Pappageorge and his District Representative, Corinne Khederian, Participate in Clawson Roundtable

Senator Pappageorge and Corinne got to hear the views of Clawson city officials, including Mayor Penny Luebs, recently at a political roundtable at the Clawson Community Center. The event offered an opportunity to visit with area youth as well as provide them with sound advice. Senator Pappageorge encouraged kids to study hard in school and take the difficult courses because they will close the fewest doors on their future.

Senator Pappageorge and Wife Cristina Volunteer for Honor Flight Michigan

Honor Flight Michigan is a charity based in Royal Oak that provides World War II Veterans an opportunity to fly to Washington D.C. to see the World War II monument. Senator Pappageorge and his wife, Cristina, took time out of their busy schedule to join volunteers in supporting this charity. Anyone who wishes to donate to this organization or volunteer to accompany a planeload of WWII veterans to Washington should call 248-744-0286.



Senator Pappageorge Speaks at Birmingham Republican Women's Club Event



Senator Pappageorge, his wife Cristina, and his District Representative Corinne attended the Birmingham Women's Club event on January 25th. Senator Pappageorge gave a presentation on his 96% budget plan, a proposal to require the state to budget using only 96% of the January estimating conference projected revenues. This plan was discussed in the Senator's July edition of the Monthly Minute, which you can access [here](#).

Local Residents Honored

Senator Pappageorge and Corinne took time out to honor local residents, including:

- ◆ Toni Shad for her outstanding work as a Madison Heights Councilwoman upon the occasion of her retirement
- ◆ Betty Smith of Berkley upon receiving the "Outstanding Senior Volunteer" honor by the State of Michigan
- ◆ Deloris Kumler of Clawson for her outstanding contributions as the Clawson Historian upon the occasion of her retirement
- ◆ Sherry Stefanos of Bloomfield Township for her many years of service as a Bloomfield Township Trustee upon the occasion of her retirement. She is also credited with being the first female Trustee for the township.
- ◆ Sargent Philip Bocks, a local hero who sacrificed his life while serving overseas. Senator Pappageorge was privileged to speak at a service celebrating the life of this heroic man and honoring him with a special tribute from the State of Michigan for his service to this country.



Protect Your Home

Home is usually the place where we can shut out the worries of the world, but for many families, their homes have become a source of worry.

Many families are struggling to keep their homes. Foreclosure rates in Michigan are among the highest in the country, due in large part to our state's tough economy. Other homeowners facing the loss of their home have been victimized by unscrupulous lenders.

The Michigan Senate has moved quickly to protect citizens with new mortgage safeguards. Legislation passed in May 2007 targets fraud

between lenders and appraisers. Bills passed by the Senate last fall will register the more than 30,000 loan officers conducting business in Michigan. Other provisions will require training and background checks. Both bill packages have been sent to the House for consideration.

If you are unable to make your mortgage payment, it's important to take action. Ignoring the problem only increases the chance you could lose your home. Keep these steps in mind:

- Contact your lender right away. Be honest about your financial situa-

tion.

- Know your mortgage rights. Read your loan documents.
- Call the MSHDA Foreclosure Prevention Hotline toll-free at 866-946-7432 for assistance.

Beware of foreclosure scams. Don't sign anything you don't understand.

In addition to those affected directly, the impact of the mortgage crisis has rippled beyond homeowners who have lost their homes. Foreclosures have led to declining property values in many neighborhoods and communities.

Tax Returns Due April 15th



Have you filed your tax return yet? Whether you need tax booklets, forms or just want to find out if your refund check has been mailed out, it is all accessible at www.michigan.gov/treasury.

If you receive a notice from Treasury that requests action on your part, don't wait! Contact Treasury immediately and follow the instructions outlined in the correspondence. A problem is easiest to fix when detected early.

Want to receive your return faster? E-File! You can expect your return in about two weeks compared to the four to eight weeks it takes if you paper file!

Visit www.michigan.gov/treasury or [click here](#) for information on how and where to E-File

Property Tax Problems?

If you believe that your property tax assessment was in error, please visit my web site or [click here](#) for a guide on how to effectively appeal your tax assessment.

Questions or Comments?

If you have any questions or comments regarding information in this newsletter, or wish to be removed from or added to the mailing list, please contact my office at the following information:

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